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Government
Publications

6

Design for development statements and speeches

DESIGN FOR DEVELOPMENT

PHASE TWO

**STATEMENT BY THE HONOURABLE JOHN ROBARTS
PRIME MINISTER OF ONTARIO
NOVEMBER 28, 1968**

**STATEMENT BY THE HONOURABLE W. DARCY MCKEOUGH
MINISTER OF MUNICIPAL AFFAIRS
DECEMBER 2, 1968**



Statement

By

The Honourable John Robarts

November 28, 1968

MR. SPEAKER,

It is a stimulating experience to participate in the great changes which are occurring in the daily lives of the people of Ontario. Not the least of these changes are those occurring within the basic political structure of our province.

During the last Session of the House, legislation was approved to consolidate into larger, more efficient units the more than 1500 boards of education of this province. That consolidation becomes effective on January 1st. I join with my colleagues in the Government in expressing our appreciation to all who are participating in the work of establishing these larger units of school administration. This work is going very smoothly. The result will be an enormously strengthened and more equally-distributed system of education.

Mr. Speaker, I recall with satisfaction the honour I had in this House in April of 1966 of introducing the policy of the Government of Ontario on Regional Development. That policy statement, known as "Design for Development", set forth the plans of the Government to achieve for all economic regions of the province an equitable share in a purposeful provincial development program.

Much has been accomplished since "Design for Development" was outlined to this House. The greatest change, in my opinion, has been in the degree of acceptance by the public and local officials of regional activities and regional planning, as opposed to purely local or parochial activities and planning.

I was interested to read in a recent report of the Erie Region Economic Council the results of a questionnaire the Council had drawn up to gather "grass roots" opinion on regional development. Based on the questionnaire and subsequent discussion at a series of meetings throughout the region, the Erie Economic Council came to such conclusions as these about "grass roots" attitudes:

--There is a general realization that society is actually living on a regional scale now;

--There is a genuine willingness to study developmental problems objectively;

--That sharing of assessment and dormitory expenditures will bring about regional thinking and budgeting faster than any other single influence;

--That urban areas should not be separated from the rural areas surrounding them; and,

--That annexation as an adjustment factor in territory is of limited value today.

May I say that the Regional Development Councils are doing an excellent job in the essential task of communicating to the Government the requirements of the people of their region.

For some time, Mr. Speaker, the Government of Ontario has been engaged in planning a closer relationship of regional economic development and the structure of local government. We have been moving forward on two fronts: the analysis of regional economic development, as outlined in "Design for Development", and through the local government reviews undertaken in various parts of the province. They are, of course, inter-related. We have now reached the point where both must be carried forward together, in concert with one another, in a single, unified policy.

I should like at this time to outline to the Honourable Members what we have achieved to date and what we see as the task in the years immediately ahead.

In "Design for Development", the Government set out a number of guiding principles for regional economic development which bear continuing consideration by this House and which form the foundation of what we are now doing.

The objectives of regional development are the "provision of the best possible environment for our people" and the "creation and maintenance of an atmosphere which will encourage economic growth and development throughout the province". In so stating, the Government emphasized that it has the responsibility to carry out and give direction to regional land use and economic development planning. These were spelled out in three principles which the Government considers to be essential to regional economic development:

First, the Government accepts the responsibility of guiding, encouraging and assisting the orderly and rational development of the province.

Second, the efforts of the Government should be complementary to the private sector of the economy in helping to create an atmosphere for growth and development.

Third, policies must be cast in the mould of Ontario's conditions and not simply borrowed from other jurisdictions where fundamental characteristics and institutions may differ.

Further, "Design for Development" states that the regional plans and priorities of the government should contribute to the total environmental development and economic performance of the province.

Mr. Speaker, as I have stated in this House on other occasions, we are determined to produce guidelines for our regions so that both the public and private decisions which affect our development can have realistic relationships to one another.

The Government of Ontario has pursued the objectives of "Design for Development" with vigour. The Government has encouraged each region of Ontario to achieve its social and economic potential within the overall frame-work of the province. The Government has encouraged the care and conservation of our natural environment. The Government has achieved greater efficiency and effectiveness in its service to the people of Ontario through closer co-ordination of departmental activities.

Since "Design for Development" was announced, the regional development program has moved forward rapidly. The

first task was to bring together an inventory of all the programs, policies and information of the various departments of the Government which would be of value in an emerging regional program. This was completed in 1967. The next task was the evaluation and projection of detailed basic economic trends of each region in the province. This is now being completed.

Our analysis of the basic trends throughout the province has led us to group our regional potentials into three categories. One category will be that of a region of self-sustained growth, where the major problems are those of urban expansion. The second will be a region of inconsistent or fluctuating growth, where some assistance may be necessary in order that the region may achieve its full potential. The third category is that of slow growth where major assistance may be necessary if the region is to achieve its full potential.

While this research and evaluation has been carried out within the Regional Development Branch of the Department of Treasury and Economics, the regional development program has involved many other activities, all leading to the formulation of plans for economic growth in each region of the province. These activities have resulted directly from the measures announced in "Design for Development".

As an example, the Cabinet Committee on Policy Development is dealing with the relationship between regional development policy and the establishment of regional governments. The Advisory Committee on Regional Development has met frequently this year and has before it a wide variety of regional programs put forward by departments of government which have regional interests.

These include the Master Tourist Plan of the province being undertaken by the Department of Tourism and Information; the review of the recommendations of the Goals Plan of the Metropolitan Toronto and Region Transportation Study, which is now being conducted by a special sub-committee chaired by the Director of the Regional Development Branch; and the special study on the future development of the Niagara Escarpment, which is now before the government. A large part of the Committee's time has been spent discussing the strategies to be followed in developing regional plans and in co-ordinating these plans

with the regional activities of the various governmental departments and agencies.

The Regional Development Councils have been an integral part of the planning process and are now submitting to the government their own proposals for a strategy of development within their own regions to cover the next five years.

Along with the intensive research taking place within the Regional Development Branch, the university research program in regional development is now bearing fruit. I expect that before the end of this Session, the Honourable Members will have an opportunity to see the results of some of the studies conducted by 14 universities. In addition to this, I am sure that the Members will be pleased to know that the Economic Atlas of Ontario, which is the most complex publishing project ever undertaken by the University of Toronto Press, will be released in a few months' time.

The co-ordination of the regional activities of various departments and agencies in the field is also progressing. The regional advisory boards of civil servants have been meeting regularly in each of the ten economic regions and, like the Regional Development Councils, the advisory boards have prepared their own views about the course development should take in their regions during the next five years.

Fortified by the results of these activities, the government will begin within weeks the formulation of actual plans for the regional development program. Work has already begun in three regions: Northwestern Ontario, where a special ARDA regional development program is being carried out; the Central Ontario Region, which has had the benefit of the MTARTS study; and the Mid-Western Ontario Region, which was selected by the Regional Development Branch for a pilot approach to regional planning.

The first stage will emphasize solutions to problems of an economic and social nature. The second stage will deal with the improved use of our natural environment. From these plans will come targets for broad use of our land, the character and amount of economic activity in each region and recommendations for the most effective implementation of regional programs by both provincial and local departments and agencies.

Since Ontario is becoming increasingly an urban society, with the largest proportion of our people living in urban areas and many others employed in urban areas, I believe we shall be seeking many of our solutions in the urban centres. A substantial share of the potential of all regions of the province will be provided by the urban centres. One of the challenges in establishing our regional development plans will be to select those urban centres--both large and small--which will be appropriate growth points for the type of region in which the centre is located.

Having reached this stage, Mr. Speaker, we have brought together two separate streams of government action: those dealing with regional economic development and those dealing with the structure of local government throughout Ontario. I am sure you will agree that the delineation of regional government areas will, in all likelihood, be centred around these urban centred growth points.

In "Design for Development" it is clearly stated that the implementation of the regional development policy of the government could lay the groundwork for changes in area government which might be considered appropriate. As I have said, Mr. Speaker, that moment has come. Regional government and a regional development program are closely associated. We believe that in Ontario we must have strong local government coupled with a meaningful regional economic program.

We have been discussing these matters in terms of phases and stages, perhaps we might well consider that we are now embarking on "Phase Two of Design for Development".

You will recall, Mr. Speaker, that in the recent Speech from the Throne, His Honour, the Lieutenant Governor, stated that "among the measures to be placed before the Honourable Members will be proposals to institute regional government in various areas of the province where sufficient study has been completed".

The rationalization of our structure of local government has occupied the attention of the Government for some time. As our province has become more and more urbanized, it had become increasingly apparent that the mechanism of

several hundreds of small municipalities has become an inadequate means of meeting the requirements of the people of Ontario in the second half of this century. We envisage in the restructuring of municipal government on a regional basis that there will be an accompanying significant reduction in the total number of municipalities now existing in Ontario.

In recent years we have received and considered the Report of the Select Committee on The Municipal Act and Related Acts (The Beckett Report), the Report of the Ontario Committee on Taxation (Smith Committee) and the advice of the Select Committee which considered the recommendations of the Committee on Taxation (White Committee). The need for larger units of local government was expressed in each. In the case of the Smith Committee and the subsequent Select Committee Report, it was emphasized that the restructuring of municipal financing can achieve maximum benefit only if, at the same time, we can achieve a more rational approach to the numbers and size of local governments. Indeed, both Committees made it clear that the reform of municipal financing and the municipal structure are required if we are to overcome the basic problems of local governments.

In our planning for regional governments, we can draw upon the considerable advice and expertise resulting from the local government reviews ordered by the government in recent years and the detailed work of the Metropolitan Toronto and Regional Transportation Study. We can draw upon the experience in Metropolitan Toronto where, since 1954, we have had one of the most successful forms of local government in operation anywhere. We can draw upon the experience of the new Regional Municipality of Ottawa-Carleton, which is the first of what can be described as a true regional government.

As I have indicated, there is also a wide public acceptance of the need for governmental responsibility on a regional basis. Almost every conference in recent months related to our current urban challenges has suggested that a major barrier to municipal solutions is the fragmentation of our municipal structure.

The basic aim of the Government in arriving at the policy of establishing regional governments is to make local government as strong and meaningful as possible. As our

society becomes more complex, the people of Ontario to whom governments are responsible must be able to participate in the decisions and direction of their government. If our municipal partners are unable to cope with the problems they face because of their small size, limited financial resources and inability to provide the services which all residents of Ontario should expect, participation becomes meaningless.

British journalist Alistair Cooke emphasized the situation recently when he said the "breakdown in society comes when people cannot recognize any public obligations beyond their family". Surely we must ensure that the people of Ontario have an opportunity to participate in local units of government which are large enough to be meaningful and which will have a resource base sufficient to their responsibilities. We have the opportunity to avoid the troubles of the cities to our south. We have the opportunity to provide for the people of Ontario horizons of such breadth that a person will feel an obligation to his community beyond his obligation to his family. Indeed, we must provide a framework within which he will be eager to participate in the further strengthening of local government.

Having established that regional governments are the best means so far designed to achieve this aim, I can assure the Honourable Members that the Government will move toward the implementation of our objective as quickly as possible.

In establishing a series of regional governments, the Government of Ontario has established specific guidelines. The Government accepts the five criteria for regional government set out by the Ontario Committee on Taxation. They are:

- a region should exhibit a sense of community;
- a region should have a balance of interests;
- there must be an adequate financial base;
- the region should be large enough so that local responsibilities can be performed efficiently; and,
- regional boundaries should make possible maximum co-operation between regions.

To these criteria put forward by the Smith Committee, the Government has added three others of immense importance.

First, we shall seek community participation in the formation of regional governments and, where possible, we shall strive to achieve community acceptability of the proposal. Second, we shall seek to have the new regional boundaries, or combinations of them, usable by other institutions. And third, we propose that in cases where there are to be two tiers of government within a region, the smaller units would be designed using the same criteria used at the regional level.

In announcing the policy of the government to establish a series of regional governments across Ontario, I should like to emphasize that we do not propose to put regional governments into effect in all parts of Ontario at one time. The Speech from the Throne indicated that they will be established first in those areas where sufficient study has been completed. For example, the Regional Municipality of Ottawa-Carleton becomes effective on January 1st, 1969. Other local government studies have been completed or are nearing completion. Basically, we shall establish regional governments on the basis of priority of need. As one looks about the province it is apparent that not all areas are in urgent need of immediate regional government. We shall respond first where the present structure of local government is obviously not adequate to meet existing change.

At the next opportunity during the Debate of the Reply to the Speech from the Throne, the Honourable Minister of Municipal Affairs will outline a schedule of proposals for the establishment of regional governments. He will also deal further and in some detail with rationale which will be used in deciding where and how a regional government will be established.

Mr. Speaker, in my discussions today I have been referring primarily to the requirements of Southern Ontario. In doing so, I am also mindful of the pressing needs of the people of Northern Ontario. As the Honourable Members are aware, during the tour of Northwestern Ontario by Members of the Legislature in September, I announced that an Inter-Departmental Committee had been established to examine government at the district level in Northern Ontario. We expect to have the Committee's report by mid-1969 and will proceed quickly with the formulation of policy. The Minister of Municipal Affairs will have more to say on some specific structures of government in Northern Ontario when he takes part in this Debate.

The primary responsibility for carrying out the program of regional government will rest with the Minister of Municipal Affairs. He and his Department will work closely with the Policy Development Committee of Cabinet which, appropriately, resulted from "Design for Development". Through the Policy Development Committee we shall achieve close co-ordination of the regional government plans of the Department of Municipal Affairs, the program of regional economic development, the overall program of provincial development administered by the Department of Treasury and Economics, and the related programs of other Departments.

Mr. Speaker, we are participating in an exciting and stimulating period in the history of Ontario. The restructuring of our entire system of local government through a system of regional governments, the consolidation of our school districts, the program of regional economic development, and rationalization of our provincial-municipal system of taxation is a tribute to the people of Ontario. These are all inter-related and must be carried forward together. The people of Ontario recognize this and, I am confident, are prepared to accept the substantial challenge of accomplishing all of these tasks simultaneously.

We have embarked upon the greatest restructuring of local government in the history of this province. Indeed, we shall be altering a system of municipal government begun by Governor John Graves Simcoe in 1792. The establishment of regional government will be as major a change in our day as was The Baldwin Act of 1849 which set up the basic municipal structure we now know.

Mr. Speaker, we must succeed in what we have set out to accomplish if we are to meet the aspirations and considerable potential of the people of Ontario, not only for today but for many decades in the future. Mr. Speaker, I am confident that we shall.

S T A T E M E N T

B Y

THE HONOURABLE W. DARCY McKEOUGH

TABLE OF CONTENTS

PAGE

1	Regional Government Criteria - Ontario Committee on Taxation
2	Regional Government Criteria - Government
3	Size of Regional Government
4	Shape of Regional Government
4	Internal Structure of Regional Government
5	Property Assessment
6	Taxation, Billing and Collection
6	Capital Borrowing
6	Planning
6	Police and Fire Protection
6	Arterial Roads
6	Transit
7	Sewage and Garbage Disposal
7	Water Supply and Distribution
7	Health and Welfare
7	Conservation
7	Parks
8	Representation
9	Summary of Regional Government Characteristics
9	Implementation - General
10	Four-Stage Process of Implementation

TABLE OF CONTENTS

PAGE

11	Niagara Region
11	Ottawa-Carleton
11	Metro Toronto
12	East of Metro
12	West of Metro
12	North of Metro
13	Hamilton-Wentworth
14	Waterloo Area
14	Brant Area
14	Norfolk-Haldimand
14	Northern Ontario
15	Lakehead Area
15	Muskoka District
15	Sudbury Area
16	Inquiry into Municipalities
17	Conclusion

Statement

by the

Honourable W. Darcy McKeough

December 2, 1968

Mr. Speaker, this is an historic time for local government in Ontario. This Province is embarking on a program which will recast and reform our entire municipal system in a way more fundamental than any ever attempted since the present system was organized. Indeed, Mr. Speaker, I think that the future observers will look back and say that Local Government in Ontario was established in 1849 and re-established in 1968.

Let me briefly restate the main point in the Prime Minister's statement so there will be no misunderstanding here, or outside this House. The Government of Ontario has accepted the objective of regionalization of Municipal Government in Ontario, and will move toward the implementation of this objective as quickly as possible. I shall have more to say about the schedule of implementation later on.

As the Prime Minister has said, we will use several criteria as our guidelines in designing regional governments. Five of these criteria have been spelled out in the report of the Ontario Committee on Taxation, and we accept these as entirely valid. For the record, let me say that the criteria suggested by the Ontario Committee on Taxation, and accepted by this Government are:

One - A region should exhibit a sense of community identity based on sociological characteristics, economics, geography and history;

Two - A region should have a balance of interests so that no one group or interest can completely dominate the region;

Three - There must be a financial base adequate to carry out regional programs at a satisfactory level;

Four - The Region should be large enough so that local responsibilities can be performed efficiently by taking advantage of economies of scale; and

Five - Regional boundaries should facilitate maximum interregional co-operation.

We accept these criteria as part of our guidelines for the design of regional governments.

However, we have also adopted three additional criteria. The first of these is community participation and, where possible, community acceptability. This does not mean that any municipality will have a veto over regional government proposals in its area. What we do want is participation by all communities in an area in the discussions leading to the formation of a regional government.

While we, in this House, must accept final responsibility for any regional government legislation, we will work with communities in developing specific proposals. This important criterion was implicitly recognized by the Select Committee on the Smith Report when it said: "We think that every opportunity should be given to local initiative, experience, and wisdom in establishing new regional governments".

The second additional criterion is that the new regional government boundaries should be usable by other institutions in the regional administration of their programs. We have two types of institutions in mind. The first includes Provincial Departments and Agencies; the second - local units of education.

As pointed out many times in this House, especially in the white paper "Design for Development", there are a multitude of varying overlapping and unco-ordinated boundaries being used by different Provincial Departments for regional administration purposes. We hope that the new regional government boundaries will provide all Government Departments and Agencies with a set of rational, economically sound, "building blocks" which they can use in drawing up their administrative boundaries.

Some Departments and Agencies may not want to have the same number of administrative or planning regions as we expect to have regional governments. A recent study, supported by the Regional Development Branch of the Department of Treasury and Economics, suggested that most departments used between five and fifteen regions in their work. Nowhere are the varying needs of the Government Departments and Agencies more important than in the relationship of local governments to the Province's regional development program.

You will remember that one of the points in "Design for Development" was that the Government would be moving towards the establishment of more uniform administrative regions for governmental purposes. As the Prime Minister said in his statement, the key to the relationship between the two programs is the use by both of urban-centred regions.

For economic development and planning purposes, the Province need only be divided into a small number of regions -- at present, of course, there are ten economic regions -- but these regions will be composed of two or more Regional Government areas.

The second type of institution is the local unit of education. Up to now, County boundaries have been the basic format for the re-organization of school boards. It is our aim, and that of the Department of Education, that as new Regional Governments are formed, we will attempt to design them so that they and the school authorities will be co-terminous or will have co-terminous outer boundaries.

The third and final additional criterion we propose is this -- in cases where there are to be two tiers of Government within a region, both tiers should be designed with the same criteria.

The implications of adopting this could be far-reaching. Accepting this approach means that Regional Government is not simply a strengthening of the existing County-Local Municipality system, nor is it the superimposing of a new tier of Regional Government upon the existing local municipal structure. Rather, we are saying that the region and the subordinate Local Municipalities must be designed together using the same guidelines.

Mr. Speaker, I would now like to discuss briefly a few of the salient characteristics which our new Regional Governments will exhibit. I shall do this by describing Regional Government characteristics under four headings:-

1. The Size,
2. The Shape,
3. The Internal Structure, and
4. Representation on Regional Governing Bodies.

SIZE

The Ontario Committee on Taxation observed that the size of a Regional Government should be the result of the interplay of two factors, -- service and access.

On the service side the major determinant of size is the population base needed to carry out effective local government programs. Our experience and discussions with other Departments and with Municipalities suggest conclusively that a minimum regional population of from 150,000 to 200,000 is required for the efficient provision of most local services.

Access is described by the Ontario Committee on Taxation in the following terms: "The most widespread participation possible on the part of all, or virtually all, individual citizens ... in terms of capacity to influence public policy decisions and to enforce responsive and responsible administration".

Obviously, access becomes virtually impossible in many rural and northern areas if we adhere rigidly to our minimum desirable population figures -- areas would be so large that individual access to regional decision-making would be meaningless. To this extent, our Regional Governments will show variation in population and size.

However -- and I wish to emphasize this -- our objective is a set of Regional Governments with a population of at least 150,000 to 200,000.

If we adopt a similar line of reasoning for the lower tier in a two-tier system of Regional Government, I suggest that the minimum population of local municipalities in a region should be from 8,000 to 10,000.

SHAPE

The shape of a Regional Government will depend ultimately on the nature of the area we define as appropriate for Regional Government purposes.

The definition of the appropriate regional complex entails some significant decisions. Most important, should we, as implied in the Smith Report, sharply distinguish between rural and urban areas or should we try to combine rural and urban within one region?

The Government proposes that Regional Government must be viewed in terms of the urban-centred region. By this I mean that the region will cover the major urban centres and the surrounding areas which together share social, economic and physical services.

We accept this definition of the Region. The old distinction between urban and rural interests is breaking down -- rural and urban attitudes are moving closer together all the time. In earlier times when transportation was primitive and economic activity was on a small scale, we could think of Ontario as a series of small self-contained communities divided into two identifiable societies, -- city and country. Each of these societies had its own values and aims.

Now, however, we are one society where some live in big communities and others live in towns, villages or rural areas. But our aims -- the education we seek for our children and the services we expect from our Governments -- in other words, -- the quality of life we all strive for -- is not so different regardless of the type of community we live in.

Another reason for accepting the urban-centred region is a trend which I have already mentioned. There is a great common sharing of services between rural and urban Ontario. I refer to a sharing of services not only at the municipal level, but also hospitals, schools, commercial services, employment and a variety of other activities.

Because of this emerging community of interest, the shape our Regional Governments will take covers the urban centre and its rural hinterland, both of which are, in fact, mutually interdependent.

INTERNAL STRUCTURE

When we turn to the internal structure of our new Regional Government, one question is paramount -- one-tier or two-tier regions?

One-tier Regional Government means that a region will have its municipal services administered by one municipality covering the entire region. Two-tier Regional Government will divide municipal functional responsibilities between two levels of Local Government -- a Regional Municipality and a group of smaller local municipalities.

It is, Mr. Speaker, our decision that judgments respecting the question of one or two-tier Regional Governments must be made on an individual Regional basis following detailed study and consultation in each area.

When we make this decision in each area it will be based on the following factors:

- Size of the proposed region - a very large region may require lower tier municipalities in order to retain the vital element of accessibility,
- Population distribution within the proposed region - the degree of concentration of population will be an important factor in determining the form of the Regional Government structure,
- Distribution of fiscal resources - these may well determine whether it is possible to have financially viable lower tier units,
- Physical and social geography - a range of hills, a lake, a river, or cultural and linguistic differences in a region, may lead to a decision to have two tiers in order to provide effective services and to preserve existing social communities in a region.

These, together with local attitudes, Mr. Speaker, are the things we shall take into account when deciding whether a particular area will have one or two-tier Regional Government.

This leads me into another point on internal structure. If we are to have two-tier systems in parts of Ontario, how is the total package of municipal functions to be distributed between the Regional and Local municipalities? There will, of course, be some variation among Regions, but in general we accept the distribution of functions recommended by the Ontario Committee on Taxation and endorsed by the recent Select Committee.

Before we discuss the matter of representation, it might be useful at this point to list briefly those functions where we see the new Regional Governments as having paramount or complete jurisdiction.

Property Assessment

To ensure uniformity of the tax base, assessment can be administered most efficiently when covering a large number of properties.

Taxation Billing and Collection

Tax Billing is closely tied to assessment in a procedural sense. Tax collection could be Regional or Local; we can see no overwhelming argument favouring either tier.

Capital Borrowing

This must be a Regional responsibility for several reasons, including the desirability of pooling credit and the need for a unified long-range capital plan.

Planning

In the two-tier system there is a division of responsibility for various public services.

There will also be a division of responsibility for the preparation and implementation of planning policy within the region. The Regional Municipality will be responsible for the broad, overall physical and economic framework for regional growth, and for the planning of those facilities under their direct jurisdiction. Within this general framework the local municipality will prepare more detailed plans.

The local plans prepared will be consistent with and complementary to the development policies expressed in the broader plans of the Regional Municipality.

In turn these plans must be consistent with and support the policies enunciated from time to time in the Province's Regional Development program.

To this end, my Department is working closely with the Department of Treasury and Economics.

Police and Fire Protection

We agree with the Ontario Committee on Taxation that this could be either a local function or shared between the local and Regional Municipalities. Police protection, preferably, will be on a Regional basis.

Arterial Roads

Roads and related traffic control designed to provide service to the entire region must be under Regional jurisdiction.

Transit

We agree with the Smith Committee and the Select Committee that the planning for public transit must be integrated with the planning for the entire region. To this extent the Regional Government must be involved in the transit function. Whether the actual operation of a transit system is a Regional or Localized responsibility will vary.

Sewage and Garbage Collection and Disposal

These two functions lend themselves to a sharing of responsibilities between tiers. The lower-tier municipalities are appropriate for the initial collection of sewage and garbage, while the region is best suited to provide the necessary large centralized disposal and sewage treatment plants.

Water Supply and Distribution

Water intake and purification, and primary trunk distribution are large-scale operations which should be at the regional level. On the other hand, secondary distribution could be a lower-tier function.

Health and Welfare

We are now moving towards larger units of local administration for these functions through Regional Health Units, County Welfare Units and District Welfare Administration Boards. This is happening because these functions require a large population base in order to provide the complex specialized services our society demands. For this reason, I visualize health and welfare as Regional Government functions. In addition, to the extent that municipalities participate in the planning and financing of hospitals, this is also a legitimate Regional responsibility.

Conservation

It may prove impossible to integrate the conservation authorities completely within a Regional Government System. The problem is that conservation authorities must use watershed boundaries reflecting their very specialized role.

If a conservation authority is entirely within a Regional Government we might consider the possibility of making the authority directly responsible to the Regional Government Council, or perhaps making the authority a special committee of council.

If, as will often be the case, the conservation authority has boundaries covering all or parts of two or more Regional Governments, municipal representation on the conservation authority governing body, perhaps, should be from the Regional Government.

Parks

Parks should be a shared function with the Regional Municipality having jurisdiction over parks serving the whole region.

We visualize all other functions remaining at the local tier in any two-tier Regional Government.

One further point remains to be noted in our discussion of the internal structure of the new Regional Governments. As these Governments are formed, we will adopt a vigorous policy of strengthening the municipal councils by removing powers from existing special-purpose bodies and turning these powers over to the Regional or Local municipality.

Examples of the fields we have in mind for a more direct role by the municipality are -- parks, recreation, planning and community centres. These functions could be carried out effectively by committees of council, perhaps including appointed citizens, and would be directly accountable to the council on all matters of policy, including finances.

REPRESENTATION

The fourth subject I wish to refer to in describing our concept of Regional Government is representation. The new Regional Government councils will be the most important policy-making bodies in local government, indeed, second only to this House.

There is no doubt in my mind that the only acceptable principle today is representation by population. In the past, the principle of "Rep-by-Pop" has been honoured in theory and violated in practice by all levels of Government. However, we have seen recently a significant movement toward recognition of this concept both in this House and in the Federal Parliament. We expect a similar movement at the municipal level as Regional Governments are organized.

I accept the validity of the argument that rural ridings with fewer voters than urban ridings must be assured of adequate representation. However, I must emphasize that in our Regional Government system we will place a high priority on a system of representation giving all residents a reasonably equal voice in regional decisions.

Another aspect of representation deals with the special problems of a two-tier regional system. Two methods of selecting Regional Council Members can be used:- they may be directly elected to the Regional Council, or they may be indirectly elected by becoming elected members of lower tier units and then being designated to sit on the Regional Council. Members will note that the present county system is a form of indirect election.

I must say, in all frankness, that we do not know at this time which system is superior. Convincing arguments have been advanced for both forms of election. In view of this we hope to experiment with two-tier Regional Governments embodying both principles in order to see which form does, in fact, work better.

These, then, are the major elements we hope to see in our Regional Government System. To summarize, we are working towards Regional Governments which will embody the following characteristics:-

- One: A regional size which balances accessibility and the efficient provision of services. A minimum regional population of from 150,000 to 200,000 and, if two-tier, a minimum local population of from 8,000 to 10,000.
- Two: The region will cover both the urban community and the rural hinterland with which it shares economic, social and physical services.
- Three: Regions may be one or two-tiered, depending on local circumstances.
- Four: If two-tiered, the regional level will have many significant responsibilities including assessment, planning, arterial roads, health and welfare.
- Five: Municipal councils will be strengthened by removing the powers from many special-purpose bodies and turning these powers over to Regional or Local Municipal Councils.
- Six: Regional Government representation will be based on population.
- Seven: In the two-tier regions, Regional Council representatives may be directly or indirectly elected.

IMPLEMENTATION

I come now, Mr. Speaker, to the second major field I wish to discuss -- how we propose to implement our Regional Government Program.

As stated by the Prime Minister earlier, we do not propose the uniform establishment of Regional Government at the same time in all parts of Ontario. I should point out that this is where we part company with both the Ontario Committee on Taxation and the Select Committee, which recommended the establishment of a firm inflexible schedule leading to full implementation of Regional Government by a fixed target date.

Our approach is somewhat different although the result -- full Regional Government -- will be the same. We do not propose to tie ourselves down to a fixed target date, -- for three very basic reasons.

Firstly, we do not believe that all areas in Ontario are in equal need of immediate Regional Government. The critical areas are those where local government institutions are not responding to existing or anticipated change. The reasons for this non-responsiveness are inherent in the structure, and are beyond the influence of any one municipality acting alone.

The symptoms of this critical stage may take one of many forms such as increasing fiscal difficulties, a retardation of necessary growth, or a decline in the level of municipal services. In general, these areas tend to be in the urban and urbanizing parts of southern Ontario.

We will establish Regional Governments on a problem-area priority basis, concentrating our attention on these parts of Ontario where the situation is most serious.

The second reason for not accepting an inflexible deadline is that we do not yet have sufficient trained and experienced personnel to cover all Ontario. We see the importance of concentrating our talents in those areas where the need for change is greatest.

The third reason for not accepting a fixed target date for full implementation is probably the most important of all. One of the cardinal principles we are following during implementation is the meaningful involvement of the local communities. Our desire for local participation is such that we will, in some cases, endure delays in the establishing process in order to give local opinion time to form and express itself.

While this will not become an excuse for inaction, it does mean that we should not begin the process by setting inflexible target dates which will inhibit or could even prevent the local participation we all want.

I cannot overemphasize the importance of the role to be played by local communities -- and by the Honourable Members on both sides of this House. In a very real sense, the entire program of Regional Government will fail if the people in the region are not convinced of the program's merits. These are the people who will have to live with and run the Regions once they are established.

To repeat then: In scheduling implementation of Regional Government, our approach is to concentrate on priority areas with the objective of making Regional Government universal in the shortest possible time.

In general, the procedure we propose to use is very close to that recommended by the Select Committee. It will be a four-stage process in most cases:-

- Stage One: Discussion and consultation between the Province and municipalities in a Region. This may take the form of a joint study, a series of joint meetings, a local or a provincially directed study. In many respects, this stage will be similar to the Local Government Review concept with which we are familiar.
- Stage Two: Preparation of a specific proposal by the Province which I will formally present to the municipalities in the Region.
- Stage Three: The development of a final proposal and draft legislation based on reactions to the proposals in stage two.
- Stage Four: Presentation of legislation to this House, passage, and establishment of the Regional Government.

There will be great variations on how this approach is used throughout the Province, so the Honourable members should not be surprised when the process appears in some cases to become telescoped or elongated.

At this point Mr. Speaker, I would like to outline those areas where we are now concentrating our attention and indicate some of the concrete steps we propose to take over the next two years.

I should make one point here:- In what follows I shall be referring to areas by naming counties. In doing this I do not wish to leave the impression that the existing county boundaries are to be used in all cases for Regional Government purposes. At this time boundaries are not fixed.

As I said recently to the Association of Ontario Counties, "Regional Government will probably involve many departures from the existing set of county boundaries in some instances the existing county boundaries may represent a logical regional unit, but this may prove to be the exception rather than the rule".

Niagara Region

In the Niagara Region, covering the present Counties of Lincoln and Welland, a comprehensive Local Government Review was completed over two years ago. We have now finished our study of the review and are preparing a concrete proposal to present to the municipalities in the area. I will be making this presentation in January and legislation creating Regional Government in the area will be introduced during the course of this session.

Ottawa-Carleton

As the Honourable Members are aware, legislation was introduced earlier this year to establish the Regional Municipality of Ottawa-Carleton. This legislation becomes fully effective on January First, 1969. The Regional Municipality comprises the County of Carleton, Cities of Ottawa and Eastview and the adjoining Township of Cumberland.

Metro Toronto

The area on the three sides of Metropolitan Toronto is probably the key area of the Province in terms of the need for changes in the structure of Local Government.

To the East of Metro I have arranged an early meeting with representatives from municipalities in Ontario County and the extreme western portion of Durham County. Within twelve months I hope to be able to present specific proposals on Regional Government to the municipalities in that area. An important planning and development study has begun in Ontario County. I expect that the data generated from this study will be most useful in the framing of Regional Government Proposals.

On the West Side of Metro, a local government review was completed in 1966. Evaluation of this review has led me to the conclusion that the recommendations embody a concept of Regional Government with which we cannot agree. In part, we reached this conclusion because the review visualized a distinct separation of the area into one urban and one largely rural region. This is not in accord with our principle of the urban-centred region covering both urban and rural areas.

In addition, the virtually unanimous rejection of the review recommendations by local opinion was a factor in our decision. We have now had preliminary discussions with Peel County of their proposal for a Regional Government, and I intend to have similar discussions shortly with Halton County.

At this stage it is not clear whether there will be one or two Regional Governments in the area, although I believe that in the long run one region will prove to be a better solution. In any case, I hope to be able to present specific proposals in this area within the next few months. The timing of these proposals is contingent upon the completion of the Hamilton-Wentworth Local Government Review which includes the Town of Burlington, now part of Halton County.

North of Metro there has been much public discussion about Regional Government for York County. I have had several meetings with various groups in this area and hope to enter into discussions with municipalities within the next two months. It appears that we may be in a position to make a proposal for Regional Government North of Metro in 1969.

I should note that our discussions with municipalities on the three sides of Metro will be greatly aided by the work done through the Metropolitan Toronto and Region Transportation Study. Accurately described as the first example of truly regional planning in Canada, MTARTS is proving valuable in establishing the developmental framework within which we can test our Regional Government proposals.

There is an additional benefit as well. In other areas of Ontario we have had to start Regional Government studies with an extensive process of basic data gathering and interpretation. This will not be necessary in this area because of MTARTS, so the whole schedule of Regional Government can be accelerated.

We have long recognized the desirability of inter-municipal co-operation in defining and solving problems common to a number of adjoining municipalities. During the past twenty years, with the advent of rapid urban growth and unprecedented mobility of people and goods, this co-operation is no longer merely desirable but absolutely necessary.

One of the techniques we have used in the past to facilitate co-operation between groups of municipalities in the Toronto Region and other areas of the Province has been the joint planning board. It has been criticized on the basis that few comprehensive plans have been produced -- this I grant, but the inter-municipal discussions which it has generated have been extremely influential in creating a favourable climate for planning, in developing an understanding of the "Region", and the urgency of looking at things on a broader scale than the single municipality.

It must be understood that it never was considered to be the final answer in handling problems of common interest to several municipalities but rather an intermediate step to be used until we were able to rationalize local government in the Province.

The establishment of Regional Government units with the resulting new relationship between local municipalities, will permit many joint planning boards to be eliminated because their raison d'être will have disappeared. Many other boards will have their boundaries adjusted to coincide with the boundaries of the new Regional Municipalities.

The common boundaries of the planning area and the area of Regional Government jurisdiction will permit delegation of a number of planning approval functions to the Regional Authority. Such delegation will occur when we are assured that the Regional Authority has formulated development policies expressed in an official plan under The Planning Act.

It is my expectation that, following the establishment of Regional Municipalities around Metro Toronto, the present boundaries of the Metro Toronto Planning Area will be revised to bring about an exact relationship with Regional Government boundaries. When Metro Toronto brings forward an official plan, this will permit the delegation of certain planning powers which Metro does not presently enjoy.

I expect to enter into discussions with Metropolitan Toronto on these matters within the next two months.

Hamilton-Wentworth

Regional Government for the Hamilton-Wentworth area is now under study by a local government review commission. The commissioners expect to hold public hearings early in the new year and to report to me within six to eight months. Following this report, I shall hold discussions with the municipalities in the area and then present them with a specific proposal. One of the first decisions which must be made is whether Burlington should be part of a Peel-Halton Region or part of the Hamilton-Wentworth Region.

Waterloo Area

Another detailed study which we expect to receive shortly is the final Waterloo Area Local Government Review. Within six months I hope to be able to offer a Regional Government proposal to this area. We should be in a position to present legislation to this House within twelve to fourteen months.

Brant Area

Intensive local and Provincial-local discussions are now taking place in the Brant County Area. In our discussions, I have suggested that the possibility of a larger Regional unit should be considered.

Norfolk-Haldimand

A detailed study of planning in Haldimand and Norfolk is now beginning, prompted in part by new industrial development in that area. The results of this study may well point to a need for a larger Regional Government.

Northern Ontario

The question of Regional Government in Northern Ontario poses special problems because of the dispersion of population and the primary resource base of the Northern Economy. We are devoting particular attention to Municipal Government reform in that area.

In September the Prime Minister announced the formation of a special committee to report on the issue of how Regional Government could be introduced in Northern Ontario. The terms of reference are broad. Some of the questions the committee will be examining are:-

- What structural form should Local Government reform take in the North?
- Is it feasible to adopt the proposals of the Ontario Committee on Taxation for contract municipalities in areas where Regional Government is not possible?
- Is the Lakehead Local Government Review proposal, for a District Regional Government with limited powers, applicable in that and other areas of the North.
- What special provision must be made for municipal services in unorganized areas?

The committee is now at work and has been asked to report by July 1, 1969 to a special committee of Cabinet. Until receiving and studying this report I do not intend to make any Regional Government policy proposals of general application to Northern Ontario.

In the interim, however, we do propose to proceed with a Local Government Reform Program in three Northern areas.

The Lakehead Area

On Monday, November 25th, I announced our intention to proceed with the amalgamation of the Cities of Fort William and Port Arthur, and parts of the Townships of Neebing and Shuniah. I intend to introduce legislation implementing this decision as soon as possible in this session. Prior to the introduction of this legislation I shall go to the Lakehead in January with specific proposals arising from our discussions with the local inter-municipal committee and from studies in my Department. The regional aspects of the Lakehead Local Government Review are part of the terms of reference of the Committee on Local Government in Northern Ontario, and no decision will be made on this aspect until after the report of the committee.

Muskoka District

A Local Government Review is now underway in the Muskoka District. A preliminary report has been made and I expect a final report in early 1969. If all goes well, I should be able to introduce legislation for reform of Local Government in Muskoka during this session.

Sudbury Area

Finally, the question of Local Government Reform in the Sudbury Area has been occupying much of my attention recently. Several local hearings on regional matters have already been held by the Sudbury Municipal Association, and the Nickel Basin Planning Board assisted in the preparation of the Nickel Basin Planning Study completed in early 1967.

The province has now decided to proceed with Regional Government in this area on a priority basis. As a first step I have asked the Chairman of the Ontario Municipal Board, Mr. J.A. Kennedy, Q.C., under Section 45 of The Ontario Municipal Board Act, to undertake a detailed study of Local Government in the Sudbury Area and to report his findings to me in six to nine months. He has agreed to do this and will begin his task immediately.

I have offered Mr. Kennedy full access to the staff and information of my Department, and I know that municipalities in the Sudbury area will act in a similar fashion. With Mr. Kennedy's broad background in the field of Local Government, I am sure that he will provide me with valuable guidance in determining the shape and nature of Regional Government in the Sudbury Area.

We are now working with Mr. Kennedy on the terms of reference for his study and I hope to make a further announcement in a few days outlining the the physical area and the precise questions to be considered.

I shall be announcing specific proposals in other areas during the course of the program. I think you will agree, Mr. Speaker, that the implementation schedule I have outlined is more than enough to keep us busy, in the short-run at least.

Closely related to the program of Regional Government is our program to encourage the consolidation of existing municipal units. Most local municipalities are now far too small to be viable units of local government even at the lower tier of a Regional System. For example, I mentioned before that the minimum acceptable population for a lower-tier municipality is from 8,000 to 10,000.

At the moment ninety percent of our municipalities are below this minimum figure, and 270 have a population of less than 1,000. The median population of an Ontario local municipality is only 1,775. The effects of such a limited population base are shown when we consider that one in three of our local municipalities spends less than \$100,000 annually on municipal programs. This small size and the restricted fiscal base means that with, or even without Regional Government in an area, we must pursue a vigorous policy of municipal consolidation.

As a first step, I have ordered an inquiry into the structure, organization, and methods of operation of all the municipalities of Ontario, and I shall invoke Section 25a of The Municipal Act. This means that all proposed changes in municipal boundaries such as annexations or amalgamations which are submitted to the Ontario Municipal Board will now be referred to my Department for study. We will examine each proposal to see if it is in agreement with our Regional Program and results in the creation of more viable municipal units. Only when we are satisfied on these grounds will such applications proceed through the Ontario Municipal Board.

I should also add that the creation of larger more viable units through municipal consolidation will greatly simplify one problem we face in the new two-tier regions. Earlier, I referred to the principle of representation by population as an essential ingredient of Regional Government. With consolidation at the local level, there will be greater uniformity in population among lower-tier units, and it will be much easier to have equitable representation at the Regional level.

As the Prime Minister noted in his statement, the primary responsibility for the Regional Government program will rest with the Minister of Municipal Affairs. In doing this, I will be working very closely with the Policy Development Committee of Cabinet.

I have asked the Municipal Research Branch to assume day-to-day responsibility for Regional Government studies and implementation. The Municipal Research Branch will, of course, be working in very close liaison with the other Branches of my Department and with other Departments. This is a program which, by its very nature, cuts across Branch and Departmental lines and can only succeed with the understanding and co-operation of all Departments of Government.

Mr. Speaker, I have outlined in some detail our plans for the necessary changes in the Municipal System of Ontario. These changes are fundamental to the future well-being of Local Government, and thus to the social and economic health of the whole Province.

To bring these plans to their ultimate success will require the deep involvement not only of every Honourable Member of this House, but of every responsible human being within the boundaries of Ontario.

It will take much dedication to perform these tasks, but I fervently believe, Mr. Speaker, that this day will stand out as a great landmark in the perspective of municipal history.



